

**NORTH MARIN WATER DISTRICT  
MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
November 16, 2010**

**CALL TO ORDER**

President Baker called the regular meeting of the Board of Directors of North Marin Water District to order at 7:30 p.m. at the District headquarters and the agenda was accepted as presented. Present were Directors Rick Fraites, Steve Petterle, Dennis Rodoni and John Schoonover. Also present were General Manager Chris DeGabriele, Secretary Renee Roberts, Auditor-Controller David Bentley and Chief Engineer Drew McIntyre.

District employees Robert Clark (Operations/Maintenance Superintendent), Doug Moore (Construction/Maintenance Superintendent) and Pablo Ramudo (Water Quality Supervisor) were in the audience.

**MINUTES**

On motion of Director Rodoni, seconded by Director Fraites and unanimously carried, the Board approved the minutes from the previous meeting as presented.

**GENERAL MANAGER'S REPORT**

**Las Gallinas Valley Sanitary District**

Mr. DeGabriele reported that last Thursday he attended a meeting at the Las Gallinas Valley Sanitary District (LGVSD) wherein they discussed renewal of their agreement with Marin Municipal Water District for recycled water and a progress report was presented on developing a LGVSD recycled water facility. Mr. DeGabriele said that Las Gallinas has decided to build and operate its own recycled water facility for recycled water service into Hamilton Field in cooperation with NMWD's Recycled Water – North Service Area project.

**County of Marin Finance Manager**

The Manager reported that he received a call from Mark Walsh, County of Marin Finance Manager, who recently received the District's Annual Report and who reviewed the District's financial reporting on the NMWD website. He said that Mr. Walsh commended the District on its Annual Report and financial reporting, and indicated that he would like to use the District's financial reporting as an example for other enterprise districts of how enterprise districts should conduct their financial reporting. Mr. DeGabriele gave credit to Mr. Bentley and his staff.

### Steelhead Recovery Plan Meeting

Mr. DeGabriele advised that he, Drew McIntyre, Robert Clark and Brad Stompe met with staff from Marin County, National Marine Fisheries Service (NMFS) and Regional Board at a workshop for the Steelhead Recovery Plan on Novato Creek. He said that the recovery plan is still in the information-gathering stage and that the plan will include recommendations rather than requirements which is good news for the District. He said that there should be available grant funding to carry out projects to implement recovery plan recommendations. He stated that he is hopeful that the draft plan will be available next spring and that because the District has signed the Statements of Understanding with NMFS, the District will be allowed to comment on the recovery plan.

### Water for People Fundraiser, Holiday Party and ACWA Conference

Mr. DeGabriele advised that on Wednesday, November 17, District staff will be holding a fundraiser for Water for People, organized by Carmela Chandrasekera; and that December 4<sup>th</sup> is the District Holiday Party. He also informed the Board that he will be attending the ACWA fall conference November 30 through December 1 and that David Bentley will be Acting General Manager during his absence.

#### **OPEN TIME:**

President Baker asked if anyone in the audience wished to bring up an item not on the agenda and there was no response.

#### **STAFF/DIRECTORS REPORTS**

President Baker asked if staff or Directors wished to bring up an item not on the agenda and there was no response.

### **MONTHLY PROGRESS REPORT W/CUSTOMER SERVICE QUESTIONNAIRE**

Mr. DeGabriele presented the progress report for October. He said that water production in Novato is up 6% from a year ago but still below the budgeted target. He said that water sales are lagging, and expenses are below budget. Mr. DeGabriele said that west Marin production is 1% below last year's production. He advised that Stafford Treatment Plant production through October was 436mg; production will continue in November and should meet last year's production total of approximately 537mg. He said that recycled water production is down 7% from a year ago and the recycled water facility is no longer operating for the year. Stafford Lake received two inches of rain through October and he reported that treatment and storage ponds in Oceana Marin are at good levels going into the winter months. Mr. DeGabriele noted that great safety performance continues

with 677 days without a lost time accident. He informed the Board that the District received a congratulatory note from its Workers Comp carrier, Traveler's Insurance, applauding employees and Safety Director, Robert Clark for the excellent safety record.

Mr. DeGabriele said that the energy cost information is finally available from PG&E. He pointed out that FYE 2011 pumping costs for September are 13.6¢ per Kwh and 13.1¢ per Kwh fiscal year-to-date through September. He said that this is a big reduction from prior years and it is due to reduced sales and scheduling time-of-use pumping. He advised that Mr. Clark spearheaded the time-of-use pumping schedule.

Mr. DeGabriele reported that in Water Conservation the same programs remain popular and that Water Smart Home Surveys continue. He said the Summary of Complaints and Service Orders are down 15% for the month and up 8% through fiscal year to date, principally due to high bill complaints.

Mr. Bentley provided a summary of the investment report and stated that the District cash balance during October increased \$164,000 and ended the month with \$7.3M in the bank. He said the portfolio rate is 1.18% earnings on investments.

### **CONSENT CALENDAR**

On motion of Director Petterle, seconded by Director Fraites and unanimously carried, the following item was approved on the Consent Calendar:

### **CSW/STUBER-STROEH ENGINEERING SERVICES FY 10-11 CONTRACT – MISCELLANEOUS ENGINEERING SERVICES**

The Board approved an Engineering Services Agreement with CSW/Stuber-Stroeh to assist District Engineering staff with both District and developer workload demands with a not-to-exceed limit of \$30,000.

### **ACTION CALENDAR**

### **APPROVE ACWA ENDANGERED SPECIES ACT POLICY PRINCIPLES**

Mr. DeGabriele stated that ACWA has asked its members to formally endorse Policy Principles it developed regarding the Endangered Species Act (ESA). He said the Policy Principles are Delta-centric and that he modified and tailored the ACWA-provided sample resolution to focus more on the Russian River.

Director Fraites stated that he could not support the ACWA Policy Principles. He said that since the enactment of the ESA there have been attempts to weaken it, and he opined that the ACWA Policy Principles do just that. He said that it asks that economic conditions as well as

biological conditions be considered; but that once economic impacts are linked to the ESA “you have driven a stake through its heart.” He stated that the purpose of the ESA was to ensure that identified threatened or endangered species would be protected from extinction; and if considerations other than biological reasoning are taken into account, protection of the species will be compromised. He said that programs should concentrate on enhancing the environment without considering economic impacts on landowners, agricultural and other special interests.

Director Baker said that he respected Director Fraites’ statement but stated that to take the position to never consider economic impacts is not reasonable.

Director Fraites responded that the purpose of the ESA is to protect the species that are on the brink of extinction.

Mr. DeGabriele said that the policy states that sustainable ecosystems and reliable water supply goals be made “co-equal” and that it is a divisive issue even among ACWA members. He said that the District’s business is to supply good quality water to its customers. He opined that there are good things included in the policies; for example, the focus on science, integrated solutions rather than focusing on one species, and consideration of climate change. He stated that ACWA is trying to gather support so that when it goes before federal and state regulators, they can identify the group of California water agencies that are supportive of their policies.

Director Fraites said that there are good points in the policy, but that he cannot support the resolution because of the “Whereas” having to do with “co-equal goals”.

Director Rodoni stated that he is sympathetic to Director Fraites’ points. He opined that the resolution goes beyond water related issues, and the District may be stepping out of its bounds. He stated that the District Board does not have the mandate to meet the needs of the state’s communities, farms and businesses. Director Rodoni said that he may consider supporting the resolution if the language was cleaned up. He said that he agrees with Director Fraites that if making economic stability co-equal with biological issues will do damage to the ESA.

Director Petterle said he also was sympathetic with Director Fraites’ position but he does not believe a “clean up” of the resolution language will solve the problem. He said that the bottom line is that by approving the resolution, the District would be supporting ACWA Policy and that the ACWA Policy is what needs to be cleaned up. He stated that he does not support the Policy Principles. Director Petterle said the Policy is similar to Proposition 23 wherein something for the long-range good of the planet will be suspended on the basis of short-term economic interest. He

questioned if it is justifiable to choose the less expensive way when the right thing to do might be more expensive. He said he would not support the resolution.

Mr. DeGabriele said there is no need to take action but that it is good for the Board to have this discussion.

Director Baker asked Mr. DeGabriele if he will advise ACWA on the Board's position.

Mr. DeGabriele responded that he will. He added that membership dues to ACWA are very expensive and he is considering whether to maintain membership with ACWA. He said although the District benefits from membership in areas of water quality, drinking water advocacy, and feedback on legislative issues, ACWA is very Delta-centered and membership is expensive. He stated that he has not seen much success on water rights or with legislative issues.

It was the consensus of the Board to take no action.

**APPROVE DESIGNATE VOTING DELEGATE TO THE ACWA 2010 FALL CONFERENCE AND AUTHORIZE VOTE IN SUPPORT OF PROPOSED ACWA BYLAWS AMENDMENT**

Mr. DeGabriele reported that he will be attending the ACWA 2010 Fall Conference in Indian Wells for two days at the end of November. He said that he is requesting the Board's authorization to be the District's voting delegate and to vote for the proposed ACWA Bylaws Amendment. He said that ACWA has convened a workgroup (of which District legal counsel, Bob Maddow is part) to revise the bylaws in five areas. He informed the Board that the first revision states that the President and Vice President of ACWA be limited to a member of the governing body of a member agency and be qualified at the time of his/her election but not necessarily throughout the term. Mr. DeGabriele said that this revision applies to Paul Kelley, the current ACWA President, and will enable him to continue serving as ACWA President even though he will no longer be a sitting member of the SCWA Board of Directors. He summarized the remaining four revisions as follows: provides a detailed list of duties and authorities of the Executive Director; guidance on the role of the Board; administrative changes dealing with meetings and distribution of agenda materials; and better organization of the bylaws.

On motion of Director Schoonover, seconded by Director Fraites, the Board unanimously authorized the General Manager to be the District's Voting Delegate at the ACWA Fall Conference and to vote in the affirmative for the proposed ACWA Bylaws Amendment.

**INFORMATION ITEMS**

**FIRST QUARTER FY 10/11 – WATER QUALITY REPORT**

Pablo Ramudo provided the First Quarter Water Quality Report and he stated that water quality met all federal and state primary and secondary standards. He reported that this quarter in Novato, Stafford Lake was dominated by four species of blue/green algae that were in constant bloom and produced taste and odor compounds. He said that the lake also had one of the highest total organic carbon (TOC) concentrations in the last ten years – about 25% higher than normal. He explained that TOC comes from runoff from agricultural waste. Mr. Ramudo informed the Board that despite these conditions, the water was treated without any breakthrough of taste and odor compounds. He advised that the TOC was removed below the required 40% and there was good water quality in the distribution system. He stated that there were no coliform positives in the distribution system and chlorine was kept at adequate levels thanks to the operators for regularly checking chlorine levels in all District tanks.

Mr. Ramudo stated that in the Point Reyes system, salinity intrusion has been a big problem during the last couple of years. He said that since the beginning of winter and early spring, salinity levels have decreased; however, there was a small increase this last quarter and levels are holding steady. He said that although salinity intrusion has been avoided this fiscal year, the problem has not been solved. He reported that the treatment plant is working well and that there were no coliform positives, chlorine residuals were in adequate concentration and monitoring for disinfection byproducts was increased due to an exceedence of the Maximum Contaminant Limit for Total Trihalomethanes at one monitoring location in August 2009 and February 2010.

Director Rodoni asked if there is a better and less costly way to notify customers of salinity intrusion. He also asked if the threshold for notifying customers is too low and considering the health implications, can the threshold be raised?

Mr. Ramudo said staff is looking at finding a better way to notify customers. Mr. DeGabriele stated that raising the threshold is something to consider. He said that the District's threshold is 20% of the secondary standard which is very conservative.

### **FIRST QUARTER 2010/11 UPDATE – MAINTENANCE/OPERATIONS**

Robert Clark provided a summary of the Maintenance/Operations Department for the first quarter. He stated that Stafford Treatment Plant was in operation approximately 16 hours per day and produced 3.5mgd compared with 4.8mgd produced last year. He said it is intended to start up the plant earlier next year and continue to run the plant at a reduced production rate. Mr. Clark said that the major project completed was the installation of the chlorine dioxide generator in the main treatment plant and it is now fully automated into the treatment process. He reported that, recently

retired District treatment plant operator, Jonathan Van Bourg, returned to install the chlorine dioxide generator and he had it up and running in two weeks; he did a fantastic job.

Mr. Clark said that recycled water production was down from last year primarily due to cooler weather and conservation efforts at Stone Tree Golf Course.

Mr. Clark gave kudos to the Treatment Plant Operators and Brad Stompe for doing a great job while being shorthanded after the retirement of Jonathan Van Bourg.

Mr. Clark reported that West Marin water production decreased 4% from a year ago likely resulting from cooler weather and conservation efforts by customers. He said that in Oceana Marin, Phillips and Associates perform daily maintenance; this quarter they required the assistance of District staff to repair a malfunctioning remote terminal unit at the lift station.

Mr. Clark summarized the Maintenance Department tasks performed this quarter and said they are concentrating on keeping track of routine predictive and preventive maintenance tasks. He stated that the Electrical/Mechanical group assisted with the chlorine dioxide generator installation at Stafford Treatment Plant and tied in all chemical storage tanks at the treatment plant with remote emergency shutoffs; Buildings and Grounds crew painted and cleaned up the GAC building (the old treatment plant building) and cleaned the spillway; and, three vehicles were sent to auction and the District received more than their estimated value.

#### **CROSS CONNECTION CONTROL TESTING PROGRAM 2010**

Mr. Clark advised that changes have been implemented to the Cross Connection Control testing program to make it run more efficiently. He said that there has been a 25% increase in the number of devices that must be tested and an increase in staff time has been necessary. He stated that the program began June 1 and went through October and that this year, well inspections were scheduled. He said 579 customers were identified with active or abandoned wells. He said fifteen people have reactivated their temporarily abandoned well, but did not notify the District; therefore the backflow devices were never tested. He said this is a problem and staff is considering ways to insure that wells that are temporarily abandoned do not get reactivated without District notification.

Director Baker asked for clarification of the term "temporarily abandoned". Mr. Clark stated that people who say their well is no longer being used are inspected to see that wires and plumbing have been disconnected and that often people will reconnect the wells after inspection. He said the County of Marin requires that the abandoned wells be filled with concrete pursuant to state standards and most people do not follow through with that procedure. He said it is the District's

responsibility to protect water quality and to insure that abandoned wells do not get reactivated without inspection by District staff.

Mr. Clark stated that there were three temporary workers who helped with the backflow testing and inspections, and the technical assistant performed an audit of the paperwork for the backflow crew and the testing program ran much more efficiently this year.

Director Baker asked about the situation with the City of Novato not testing their devices in a timely manner. Mr. Clark said that there were 2,144 devices in the system and only 1,700 were tested; the remaining untested devices belong to the city, Novato Unified School District and CalTrans. He said that this is the first year where the devices were not tested by those agencies and that this is likely due to staff reductions. Mr. Clark advised that the District may have to take over testing the devices and pass the cost on to the agencies for District time.

#### **NOP COMMENTS ON SCWA FISH HABITAT FLOWS AND WATER RIGHTS PROJECT**

Mr. DeGabriele provided the Board with information on the Sonoma County Water Agency Fish Habitat Flows and Water Rights Project which is a requirement of the Biological Opinion. He said that they are beginning the environmental review to reduce flows in the Russian River and Dry Creek to protect the fisheries. It will require the State Water Resources Control Board approval. He said the petition to reduce the flows has been submitted and the environmental review will now be conducted; and at the same time, the hydrologic index to define Water Year is proposed to change from Lake Pillsbury to Lake Mendocino. Mr. DeGabriele said that additionally, the Agency intends to clean up its water rights to better define service territory and place of use and extending timeline to complete the project. He reviewed a map showing the proposed changes to the flows in the upper and lower reaches of the Russian River. He said that each reach of the Russian River has different flow regimes to accommodate the needs of the different fish species.

#### **MISCELLANEOUS**

The Board received the following miscellaneous items: Disbursements and Automatic Payment Service/Email Bill Update memo. The Board also received the following news articles: ERRC considers releasing more water into Eel, increasing storage in Lake Mendo; Salmon returning in numbers to Russian River, New approach to saving coho salmon, Petaluma voters reject sewer rate rollback.

#### **CLOSED SESSION**

President Baker adjourned the Board into closed session at 8:55 p.m. for: In accordance with Government Code Section 54957.6; Conference with Labor Negotiators; District's Designated Representatives – Chris DeGabriele and David Bentley; Unrepresented Employees.

**OPEN SESSION**

Upon returning to regular session at 9:04 p.m., President Baker stated that during the closed session the Board had discussed the issues. On motion of Director Petterle, seconded by Director Fraites, the Board unanimously approved the 2% COLA adjustment for unrepresented employees (District Secretary, Accounting/HR Supervisor and Administrative Assistant) consistent with that recently approved for represented employees.

**ADJOURNMENT**

President Baker adjourned the meeting at 9:05 p.m.

Submitted by

Renee Roberts  
District Secretary